

HOUSE BILL No. 1536

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-5-47.

Synopsis: Sales tax holiday. Provides a sales and use tax exemption each year beginning on the second Friday of August 2015 and August 2016 through the following Sundays (sales tax holiday) for the following items: (1) Clothing, if the sales price does not exceed \$100. (2) A school supply, school art supply, or school instructional material, if the sales price does not exceed \$15. Incorporates the definitions of these items as set forth in the May 24, 2012, Streamlined Sales and Use Tax Agreement.

Effective: Upon passage.

Steuerwald, GiaQuinta

January 20, 2015, read first time and referred to Committee on Ways and Means.



First Regular Session of the 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1536

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-2.5-5-47 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: **Sec. 47. (a) As used in this section, "clothing"**
4 **means all apparel worn by humans for general use, including the**
5 **following:**
6 **(1) Bathing caps.**
7 **(2) Belts and suspenders.**
8 **(3) Coats and jackets.**
9 **(4) Diapers.**
10 **(5) Dresses.**
11 **(6) Footwear.**
12 **(7) Gloves or mittens.**
13 **(8) Hats or caps.**
14 **(9) Neckties.**
15 **(10) Pants.**



(11) Scarves.

(12) Shirts.

(13) Skirts.

(14) Socks or hosiery.

(15) Undergarments.

(16) Uniforms.

(b) As used in this section, "sales tax holiday" means the period:

(1) beginning at 12:01 a.m. on the second Friday of August;
and

(2) ending at 11:59 p.m. on the immediately following Sunday.

(c) As used in this section, "school art supply" means an item commonly used by a student in a course of study for artwork. The term is limited to the following:

(1) Clay and glazes.

(2) Paints, such as acrylic, tempera, and oil.

(3) Paintbrushes for artwork.

(4) Sketch pads and drawing pads.

(5) Watercolors.

(d) As used in this section, "school instructional material" means written materials commonly used by a student in a course of study as a reference and to learn the subject being taught. The term is limited to the following:

(1) Reference books.

(2) Reference maps and globes.

(3) Textbooks.

(4) Workbooks.

(e) As used in this section, "school supply" means an item commonly used by a student in a course of study. The term is limited to the following:

(1) Binders.

(2) Book bags.

(3) Calculators.

(4) Cellophane tape.

(5) Blackboard chalk.

(6) Compasses.

(7) Composition books.

(8) Crayons.

(9) Erasers.

(10) Folders, limited to the following:

(A) Expandable folders.

(B) Pocket folders.

(C) Plastic folders.



- 1 (D) Manila folders.
- 2 (11) Glue, paste, and paste sticks.
- 3 (12) Highlighters.
- 4 (13) Index cards.
- 5 (14) Index card boxes.
- 6 (15) Legal pads.
- 7 (16) Lunch boxes.
- 8 (17) Markers.
- 9 (18) Notebooks.
- 10 (19) Paper, limited to the following:
- 11 (A) Loose leaf ruled notebook paper.
- 12 (B) Copy paper.
- 13 (C) Graph paper.
- 14 (D) Tracing paper.
- 15 (E) Manila paper.
- 16 (F) Colored paper.
- 17 (G) Poster board.
- 18 (H) Construction paper.
- 19 (20) Pencil boxes and other school supply boxes.
- 20 (21) Pencil sharpeners.
- 21 (22) Pencils.
- 22 (23) Pens.
- 23 (24) Protractors.
- 24 (25) Rulers.
- 25 (26) Scissors.
- 26 (27) Writing tablets.
- 27 (f) During each sales tax holiday, the following items of tangible
- 28 personal property sold in a retail transaction are exempt from the
- 29 state gross retail tax if the individual item is purchased for a
- 30 nonbusiness use and the item is one (1) of the following:
- 31 (1) Clothing, if the sales price does not exceed one hundred
- 32 dollars (\$100).
- 33 (2) A school supply, school art supply, or school instructional
- 34 material, if the sales price does not exceed fifteen dollars
- 35 (\$15).
- 36 (g) The department may adopt rules under IC 4-22-2 to
- 37 implement this section.
- 38 (h) This section expires July 1, 2017.
- 39 SECTION 2. An emergency is declared for this act.

